



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

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OFFICE OF  
ENFORCEMENT AND  
COMPLIANCE ASSURANCE

**FIRST CLASS MAIL**

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Tesoro Petroleum Companies, Inc.  
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Auburn, WA 98001 - 5931

D. Jeffery Haffner, Esq.  
Tesoro Petroleum Corporation  
300 Concord Plaza Drive  
San Antonio, TX 78216-6999

RE: United States v. BP Exploration & Oil Co. - Civil Action No: 2:96 CV 095 RL  
Acid Gas Flaring Incident, on November 30, 2003 at the Mandan Refinery,  
Mandan, North Dakota

Dear Sirs:

The United States Environmental Protection Agency (EPA) received the report dated May 5, 2004, detailing the root cause failure analysis for the November 30, 2003 acid gas flaring incident at the Tesoro Petroleum Companies, Inc. (Tesoro) refinery located in Mandan, North Dakota. Based on the information submitted in the May 5, 2004 report, EPA has determined that the incident is subject to the provisions of Paragraph 22(C)(i)(b)(1); therefore, EPA has assessed a stipulated penalty in the amount of \$375.

Tesoro reported that the November 30, 2003 flaring incident lasted for 12.33 hours and resulted in the release of 0.5 tons of sulfur dioxide (SO<sub>2</sub>) to the atmosphere. The acid gas was routed to the flare during start-up of processing of Ultraformer fuel gas at the Sulfur Recovery Plant because operators were learning how to handle the additional acid gas flow. Flaring ceased when operational changes were made to raise the set point pressure of the amine absorber. Tesoro identified no corrective actions.

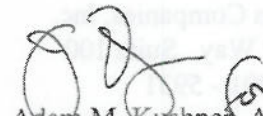
Flaring Mandan 11-30-03 HQ . pdf

Tesoro asserted that the root cause for this flaring incident was due to operators learning how to handle additional acid gas flows and this root cause is not expected to occur again. Tesoro further asserts that the root cause was not one of the specific causes detailed in Paragraph 22(C)(i)(a). Tesoro acknowledges the flaring incident is subject to the provisions in Paragraph 22(C)(i)(b)(1). EPA agrees that this incident resulted in the release of SO<sub>2</sub> at a rate greater than twenty pounds per hour continuously for more than three hours. Consequently, pursuant to Paragraph 47, EPA assesses a penalty in the amount of \$375 [0.5 tons SO<sub>2</sub> × \$750 per ton].

According to our records, this is the fifth flaring incident at the Mandan Refinery since the lodging of the Consent Decree, and the second in a rolling 12-month period.

Should you have any questions or if you wish to discuss this matter, please contact Mr. Scott Whitmore at (303) 312-6317.

Sincerely,



Adam M. Kushner, Acting Director  
Air Enforcement Division

cc (electronically): Alan R. Anderson, Mandan Refinery  
Scott Whitmore, U.S. EPA, Region 8  
Nathan Frank, U.S. EPA, Region 5  
Patric McCoy, U. S. EPA, Region 5  
Teresa Dykes, U.S. EPA, HQ  
Jim Semerad, Division of Air Quality, NDDH  
Norma Eichlin, MATRIX Env. and Geotech. Services